

CIA PR 75-311M THE COMMUNIST PARTY OF ITALY: AN ANALYSIS AND
SOME PREDICTIONS

Approved For Release 2001/08/21 : CIA-RDP86T00608R000600170026-1

JUNE 1975 ~~SECRET/NO DISSEM ABROAD~~ /BUO PR 75-311M 1 OF 1

~~SECRET~~
NO FOREIGN DISSEM
NO DISSEM ABROAD
BACKGROUND USE ONLY

THE COMMUNIST PARTY OF ITALY: AN
ANALYSIS AND SOME PREDICTIONS

June 1975

~~SECRET~~
NO FOREIGN DISSEM
NO DISSEM ABROAD
BACKGROUND USE ONLY

PR 75-311M

Warning Notice
Sensitive Intelligence Sources and Methods Involved

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

Classified by 005139
Exempt from General Declassification Schedule
of E.O. 11652, exemption category:
§ 5B(2), and (3)
Automatically declassified on:
date impossible to determine

THE COMMUNIST PARTY OF ITALY: AN
ANALYSIS AND SOME PREDICTIONS

"The election outcome is a clear national defeat for those who want to keep the communists from having a voice in government." (Communist Party Secretary-General Enrico Berlinguer, commenting on the communist gains scored in the June 1975 local elections.)

The results of the June 1975 local and regional Italian elections make it probable that the communist "voice in government" will be heard sooner rather than later. Berlinguer's statement refers to a formal, institutionalized, voice in the national government and, ultimately, in the administration of the giant parastatal industrial enterprises of Italy. The Communist Party of Italy (PCI), even before the elections, administered -- in most cases in collaboration with the Socialists -- three of the twenty regions of Italy, twelve of the ninety-four provinces and about twenty percent of all municipal councils. A key message of this paper is that the PCI, after thirty years of deepening de facto collaboration with the ruling Christian Democrat Party (DC), is already "in the government" in a major, if informal, way and is strongly influencing national domestic and foreign policy. The study examines the nature of the PCI and its present influence within the government, how this influence has been achieved, and how Italian government policies might be affected if the Party came to share in national governing responsibility.

The PCI's "Conditioning" Policy

PCI influence within the government stems from long and successful practice of a policy which PCI officials privately refer to as condizionamento -- "conditioning" of the DC and of DC-dominated governments to acceptance of the PCI and adoption of economic, social, and foreign policy measures favorable to Party objectives.* Although there is much overt evidence of the manner in which condizionamento has functioned over the years at local levels, the most striking examples are not publicized; they come from reliable intelligence sources and deal with the nature of the collaborative process at the national level. There is hard information on the substance of private meetings between Berlinguer and top DC and government officials on critical issues such as the sort of man acceptable to the PCI as Italy's President, the broad range of Italy's economic and political problems, assessments of American and Yugoslav foreign policies, etc.**

* "Conditioning" in this context does not carry the connotation of "conning" an opponent, "setting someone up for the kill", or lulling a competing party as part of a "Trojan horse" strategy. Rather it means a policy of dialogue with the competition designed to show that there is more agreement than fundamental differences regarding basic philosophies of government, goals and means.

25X1C10b



A member of Prime Minister Moro's Cabinet is in unpublicized, routine contact with senior PCI apparat members to request advice on items such as bureaucratic reform and labor policy and keeping the PCI leadership up-to-date on governmental investigations of the terrorist activity of far-left extremists. PCI senior economists are always consulted by the Budget Minister before the government budget is presented to Parliament for approval. Perhaps even more significant is the informal, sub rosa, "liaison" which has existed in recent years between a senior PCI official and officers in the Ministry of Interior on the subject of anti-terrorism and public order. All this is in addition to matter-of-fact, quiet, working contacts between PCI officials and senior functionaries in the Foreign Office, other government ministries, and members of parliamentary commissions.

At the non-official level there are private sessions between Fiat President Giovanni Agnelli and the head of the PCI-dominated trade union confederation (CGIL), between officials of the Party's ceti medi ("middle classes") section and chambers of commerce and small businessmen's organizations, between the leaders of the PCI youth organization and their other-party counterparts, etc. The categories of substantive contact seem endless and the

SECRET

reciprocal esteem usually evidenced by the PCI and other-party partners in such sessions seems genuine.*

How can one explain this willingness of Establishment figures to deal substantively with the PCI? Some of the reasons go back to the early forties and the peculiarly Italian involvement of DC and other-party leaders with PCI figures in the Resistance, in the writing of Italy's post-war Constitution, and -- a special case of DC/PCI collaboration -- in seeing to it that Italy's Lateran Treaty with the Vatican was included as an integral part of the Constitution. Other reasons stem from increased willingness on the part of previously suspicious Establishment members to perceive the PCI as a national party which over the years has seemed to practice what successive leaders have preached regarding the necessity of an "Italian Road to Socialism" which differs in strategy and goals from the Soviet model. Many middle and top level political leaders in Italy have now had extensive dealings with a PCI leadership which has almost always been largely middle class or upper middle

* The ease, frequency, and, above all, intimacy, of day-to-day contact between PCI officials and DC party and government functionaries has no parallel in France where the French Communist Party (PCF), despite an even longer history of representation in Parliament than the PCI, has never seemed comfortable in its parliamentary role. One cannot imagine Marchais meeting with Chirac or his deputy for private and wide-ranging discussions, and there is no evidence of working contact between the PCF Foreign Section and the Quai d'Orsay. For a variety of historical and other reasons the PCF adopts tactics quite different from those of the PCI -- and in pursuit of quite different goals.

SECRET

SECRET

class in origin, highly intellectual, and receptive to the problems of all classes and regions. Increasingly, many such non-PCI officials and businessmen believe that thirty years of active involvement in the parliamentary system at all levels of government have conditioned the PCI to reformist rather than revolutionary goals and methods.

The shift in attitude by many members of the Establishment is not taking place with much enthusiasm or as the result of ideological soul-searching; it is the result of a quite pragmatic belief among some at top levels of industrial and governmental economic policy-making that the PCI's contribution to stability and to the solution of Italy's economic and social malaise is not only useful but vital. These influential industrialists and politicians want to maximize this contribution without, however, relinquishing any significant control of the governmental and parastatal apparatus which is largely under the control of the DC and its adherents. The PCI, well aware of this dilemma, is upping the ante for the help it can give and repeatedly states that it won't come into the government or even enter a preferential relationship with the DC unless it sees clear promise of a major policy change leftward on the part of the DC leadership* The results of the recent elections may see that promise forthcoming as

**In May 1974 Fiat President Agnelli called for a "pact" among the DC, the PCI and the Socialists as a guarantee of stability. PCI Directorate member Giorgio Amendola responded by saying "we're not patsies for the calls for help coming from industrialists like Agnelli. Our Party is ready to assume responsibilities on condition that there be a change in economic policy." Berlinguer followed a few weeks later with a statement that the PCI didn't intend to commit suicide in order to pull DC chestnuts out of the fire.*

SECRET

the consequence of pressures from an electorate which is demonstrating not only a negative reaction to the inefficiency, fatigue, and corruption of DC-dominated local and national administrations, but a positive reaction to the PCI and its widespread reputation for honesty, efficiency, and dynamism.

The Nature of the Party

An understanding of the PCI has to begin with the realization that its ideology represents an early and substantive modification of Soviet Marxism/Leninism which the Communist Party of the Soviet Union (CPSU) has never been able to accept. Its founder, Antonio Gramsci, drew heavily on Marx, Engels, and Lenin and was also inspired by the Bolshevik Revolution. He was also, however, very much influenced by Benedetto Croce, the Italian humanist philosopher. A well-read intellectual, Gramsci noted the extent to which pre-war Czarist society and the Russian tradition of authoritarianism were conditioning factors in CPSU ideological formulation and its program for the world communist movement. He felt it would be a mistake to transplant CPSU organizational methods and goals to the highly articulated Italian society. Successive leaders of the PCI have shared this conviction. The bitter debates within the Comintern in the late twenties between Stalin and Togliatti boiled down to whether a communist party should advocate socialist pluralism and/or democratic objectives except as a tactical move in the context of a rapidly developing situation where revolutionary takeover of power by the Party was still the objective. Togliatti felt that a traditional type of democratic government would be necessary

SECRET

in Italy in order to pave the way for the eventual establishment of a socialist order which itself would require the collaboration of large elements of non-communist Italian society. Attacked in vitriolic terms by Stalin, Ulbricht, Kuusinen and Manuilsky, Togliatti finally said -- in the Galileo tradition -- "If the Comintern says it isn't right, we will no longer posit it (but) each of us will think these things and no longer speak of them."

Consistent with Togliatti's understanding that no radical transformation of Italian society was possible without the collaboration of broad segments of the population in an almost totally Catholic Italy, the PCI has been a mass party since the end of World War II; it has about 1.7 million members today. To achieve its present range of electoral support and local administrative power it has opened its ranks to persons who would never have been considered by Marx or Lenin -- or Brezhnev -- to be candidates for Party membership in an advanced industrial society. The sociological makeup of the PCI electorate is not radically different from that of the DC. Both run the gamut from low to high income, education, and status. (Only half of the PCI membership comes from the industrial working class.) At times of economic upturn and increased prosperity the PCI vote has risen at a pace not substantially different from that shown in periods of economic recession*

**In the forties and fifties, Italian and other western analysts tended to emphasize either poverty or alienation as the prime reasons why Italians joined or voted for the PCI: i.e., the PCI vote was a "protest" vote. Increasingly sophisticated analytical methods and polling techniques have demonstrated the inaccuracy of this conclusion.*

SECRET

SECRET

As in any mass party there are left, center and right trends within the PCI. In late 1973, when Berlinguer spelled out, in occasionally abstruse language, the now famous compromesso storico ("historic compromise") aiming at a power-sharing relationship with the DC, he and the Party's leadership were aware that the base of the Party would have to have many questions answered before understanding and accepting it. Does the policy (which is quite consistent with Togliatti's "Italian Road to Socialism") mean the entry of the PCI into a coalition government with the DC? If so, when? What happens to PCI links with the Socialists and to those local and regional administrations where the PCI and Socialists now share power? If the PCI comes into a coalition and doesn't get key ministries, doesn't this mean that it accepts responsibilities without effective power? Does a long period of formalized collaboration without clear PCI supremacy mean that the Party will eventually be so compromised that it is no longer communist?

Berlinguer and the leadership undertook a careful campaign before the March 1975 XIVth Congress of the PCI to point out what the "historic compromise" is not. It is not, he said, an offer by the PCI to save the DC from past and present mistakes. It is not a move to enter the government just to become part of the Establishment. It is not a sellout of PCI principles, and it will only come about when the DC has changed its conservative economic and social policies and its current leadership.

SECRET

SECRET

Berlinguer has always been sceptical of the applicability to the Italian situation of any "fifty-one percent" strategy similar to that which the French communists have followed in their "Common Program" with the French Socialist Party. The main objection, in his view, is that ultimate success of such an approach would require left DC votes in order to get a left majority in Parliament, and this would lead to a de facto split within the DC. He has long felt that a strong DC is essential to the stability of Italy; to force a split would mean that a major chunk of the DC, faute de mieux, might well make common cause with the neo-Fascist MSI/DN Party in the interest of survival as a political force. Moreover, he knows that center and left-of-center DC officials such as Prime Minister Moro fear the same development.

The reaction among the base of the Party to the "historic compromise" is difficult to gauge with precision. Soviet attempts, since 1968, to appeal over the head of the PCI leadership to the twenty to twenty-five percent of the base which can be considered "Stalinist" have not met with much success. There seems to be no organized "Stalinist" faction which is resisting the Berlinguer centrist line and the strong probability is that the leadership will continue to follow a soft line to the conservatives in its base in hopes that the new generation of PCI members will not have the visceral affinity of some of its elders for the CPSU as the "guiding Party" of the international communist movement.

SECRET

SECRET

The Party leadership has also had problems with the "new left" elements and with its youth program over the past several years. Many "new left" members at middle echelons of the PCI left or were expelled between 1969 and 1972 to the accompaniment of harsh criticism of the leadership for what they termed the PCI's bureaucratic stagnation and its bourgeois reluctance to capitalize on the populist atmosphere in Italy and Europe in 1968. These elements have been addressing violently anti-PCI propaganda to Italian youth and the Party has been deeply concerned. Two aspects of the June 1975 elections give the leadership cause for satisfaction: extraparlimentary left groupings which ran candidates garnered only 1.6 percent of the vote and, probably even more important in the long run, fifty to sixty percent of the newly-enfranchised youth (persons eighteen to twenty-one who were voting for the first time) voted for the PCI.

PCI Foreign Policy

The PCI's desire to maintain a maximum degree of independence from the CPSU consistent with retention of membership in a loose "international communist movement" causes it to join with the Yugoslavs and the Romanians in asserting the right of national communist parties -- ruling or non-ruling -- to pursue their own paths to socialism. The Party applauds Dubcek's "Prague Spring" in Czechoslovakia and denounces the Warsaw Pact invasion. It cheers the overthrow of the Caetano regime in Portugal but criticizes the heavy-handed approach of the Armed Forces Movement (MFA) and the statements of the Portuguese Communist Party (PCP) on the abolition

SECRET

SECRET

of "bourgeois democracy." It exploits the shock of the Italian DC at the 1973 coup in Chile (which saw the Chilean communists and the Chilean DC go down the drain) in order to make common cause with the Italian Socialists and Christian Democrats in ensuring that Italy does not recognize the Pinochet regime. Where it can, it works with, rather than separately from, the DC in coordinating criticism of American policy in southeast Asia or Latin America. It finds it easier to have a dialogue with the German Social Democrats (SPD) than with the West German communists or French communists on common approaches to regional solutions in Europe and is pleased to see the extent to which this dialogue is favorably noted in Germany and Italy.

Aware that its ties to the "international communist movement" and to the CPSU are the prime obstacles to its acceptance by the DC as a potential coalition partner*, the PCI, in its public and private statements of policy, puts emphasis on the necessity for Italy to initiate an Italian foreign policy which will be less subject to domination by the US. The Party links this argument to an overall objective of an Italy and a Europe which will not be under the domination of either the USSR or the US.

Portugal as a Factor in PCI Foreign Policy

Long before the Spínola revolution of April 1974 the PCI had had a jaundiced view of Cunhal, the Portuguese Communist (PCP)

**In 1974, Ciriaco De Mita, then Minister of Industry in the Rumor government, said, "the only real block in the way of accepting the PCI into the area of government is its tie to a foreign power."*

SECRET

leader. A long-held PCI fear that Cunhal, if he attained a position of power, would push for an authoritarian government on the East European model has been amply vindicated by the events since March 1975. Berlinguer's anger over the Portuguese government's banning of the Portuguese Christian Democrats at the time of the PCI Congress in March 1975 was conveyed to Lisbon through the PCP representatives at the Congress. The PCP told Berlinguer that it understood his concern and the possible implications for the PCI's policy of collaboration with the Italian DC but was holding to its condemnation of the Portuguese DC as a "reactionary" party. The recent election results indicate that the Italian DC leadership's efforts to exploit the Portuguese situation had little impact. It appears probable that Berlinguer's openly friendly attitude toward Mario Soares, the Portuguese Socialist leader, and the hardened position of the PCI toward the "anti-democratic" nature of Cunhal's ideological and programmatic approach have tended to reassure the Italian electorate and many DC politicians that the PCI is consistent in its advocacy of a pluralistic society.

The PCI, however, is being put into an increasingly difficult position: if it persists in its anti-PCP line and if the Portuguese Socialists are banned, it may be forced to an open rupture with the PCP. The PCI certainly wishes to avoid this, but if such action were to be a condition of its acceptance by the Italian Socialists and the Italian DC as a partner in government it might well decide that a break is necessary. Such a "break" would probably take the form of an open broadside condemnation of the PCP's internal policies leaving it to the PCP whether such

a condemnation would cause the latter to break off party-to-party relations. The PCI would probably be able to make this decision go down with the 'Stalinist' elements of its base by emphasizing that each country develops in its own way; what the PCP does is not applicable to Italy which has a different tradition and different problems from those of Portugal.

In March 1975, the CPSU privately indicated its displeasure over the PCI's criticism of the PCP and is now using the French Communist Party as a surrogate through which to make this criticism public. Neither in the short nor the long run is this criticism likely to cause the PCI leadership to change its mind. The Party will refuse to be lumped into the same category as the Portuguese Party -- if it recanted to please the CPSU and its own "Stalinists", it would violate its ideological doctrine and torpedo its hopes of entering the government.

A stand against Cunhal is also important for the PCI's pan-European plans. In the sixties the PCI decided that its future influence outside Italy lay in identifying with, and participating in, pan-European institutions and in collaborating with non-communist forces of the European left, such as the German Social Democrats, whose vision of the goals and structure of a more unified Europe was close to that of the PCI. This decision has paid off in gaining the PCI a reputation for non-polemical expertise in the European Parliament and in membership of the PCI-dominated trade union confederation (CGIL) in the European Trade Union Confederation (ETUC). Within Italy this

SECRET

"responsible" involvement has boosted the Party's image as a "reasonable" group with statesmanlike positions.

The PCI's "Eurocentrism"

The CPSU is disturbed by the problem posed by the PCI's "Eurocentrism" -- the pejorative term the Soviets use to describe efforts by any communist parties to forge working relationships with non-communist forces in Europe unless such relationships are dictated and controlled by the CPSU. The warm praise accorded the PCI in non-communist European Parliament circles, the influence which one can expect the CGIL to acquire within the ETUC, the long-standing identity of views between the PCI leadership and Santiago Carillo of the Spanish Communist Party are only among the most obvious aspects of PCI behavior which bother the CPSU. They undoubtedly lay behind the critical references by Ponomarev to the "Eurocentrism" of "certain fraternal parties" in his address to the conference of European parties in Warsaw in October 1974. There is good evidence to show that the reverse is also true: the PCI is irritated by what it feels is a CPSU policy of using detente and sensitive Washington-Moscow negotiations as a pretext for not discussing with the PCI "high strategy" problems of western Europe.

The stated policy of equidistanza ("equidistance") between the US and the USSR causes some restiveness among those "Stalinists" in the base who are troubled by evidence of the Party's distancing itself from the CPSU. The leadership will probably be able to contain this dissatisfaction by its continuing emphasis on the Party's present

SECRET

and future influence in the emerging regionalism of the European left. Within the leadership, Berlinguer adroitly removed a major focal point of pro-CPSU opposition by his abolition of the Politburo at the March 1975 PCI Congress. In so doing he downgraded the status of the only PCI leader for whom the Soviets have had a kind word in the past several years: Armando Cossutta, a Politburo member who has been traditionally known as the CPSU's trusted confidant*. Berlinguer has also removed Cossutta from the policy-making Secretariat and put in newcomers such as Renzo Trivelli, who share his pragmatic and non-doctrinaire approach to the Party's future role in Italy and Europe.

The PCI in Government: What would it mean for the US and NATO?

The following estimates of probable PCI behavior assume the Party's having achieved a significant and formalized increase in power at the national level -- i.e., movement from opposition status to a share in national governing responsibility.

Internal Policy

The Party's internal policies would be moderate -- in many instances more conservative than those of the Socialists. In the economic field the PCI would be willing to exert its influence to promote a more stable, less strike-ridden, more productive economy. In return it would insist on accelerated governmental and parastatal efforts in areas of social and economic legislation, especially in the underdeveloped south. Among the things it would not advocate are

**Berlinguer also realized that it was in the Politburo where "old guard" apparat members such as Pietro Secchia had been best able to argue their pro-CPSU doctrines in the days of Togliatti.*

SECRET

nationalization measures* PCI policy has long been against such action in a country where 45 percent of industry is already nationalized. The Party is also acutely aware of the consequences of Allende's nationalization actions in Chile.

It is in the parastatal field that the PCI would probably push for the most radical change. The parastatal enterprises are already a dominant feature of Italy's economic life and play a substantial role in Italian foreign economic and political relations. If the PCI succeeds in getting on the boards of ENI, Montedison, et al., one can expect it to press for even further integration of these enterprises into overall Italian government policy than is now the case, and to use whatever power it has to advance Party objectives in the areas of social reform, technical and economic assistance to third world countries, low-interest loans to small businesses, etc.

The Party, in power, would probably not change its moderate policy in such sensitive areas as the police and the armed forces. It has taken a public stand against the Socialist Party's advocacy of unionization of the police; moreover, the PCI does not appear on classified reports prepared by Italian security services listing the many organizations engaged in subverting the military. The Party would not stop working for reorganization of the security services and an overhaul of the armed forces, however. For example, it would

**The PCI's top economist, Luciano Barca, has even stated that the Party would probably recommend what he calls "reprivatization" of some medium-sized businesses, particularly in the pharmaceutical field, which have come under parastatal control in recent years.*

SECRET

SECRET

request that the chief of SID (the military intelligence service) be required to submit to questioning in appropriate parliamentary committees. It would demand that these committees have a greater voice in the appointment of senior military officers and in determination of budgetary allocations. It would press for abolition of the de facto blocks now existing in the way of PCI members from attaining NCO or officer rank. In most such cases, however, the Party would be working with a large body of non-PCI public and parliamentary opinion which is increasingly irritated by examples of waste, inefficiency, and right-wing bias in the military/security sector.

Europe, the US and NATO

How would the PCI act in areas critical to the US and NATO? Would any moderate stands be purely tactical in the sense of cloaking a long-range policy of detaching Italy from NATO and moving Italy into the Soviet sphere of influence? Here we are faced with two guiding principles which play a critical role in PCI thinking and which present enormous problems of reconciliation in the leadership's attempts to chart a foreign policy for Italy. The first is the conviction that NATO is dominated by a US military/industrial establishment dedicated to the expansion of American hegemony -- particularly economic hegemony -- in Europe and Italy. The second is its desire to achieve maximum elbow room from the CPSU and to prevent any possible move of Italy into the Soviet orbit. This is the basic rationale for its defense of "Titoism" and for its close ties with the Yugoslav Party and government. A solidly pro-CPSU Party in a post-Tito Yugoslavia would be critically disturbing to the PCI in implementing

SECRET

its maverick brand of communism within Italy and its "Eurocentrist" policies in Europe.

Berlinguer's dilemma on this score is illustrated by the background of his 3 May 1975 speech on the eve of President Ford's visit to NATO and Rome. On 2 May there was a heated discussion within the Secretariat with some members urging Berlinguer to use strong language in attacks on the US and Ford. Berlinguer rejected this line, stating that there was no point in criticizing the US administration or engaging in ad hominem attacks on Secretary Kissinger. Reliable reporting on this meeting shows that Berlinguer wanted the US to have the "absolute certainty" that the PCI, if it entered the government, would not upset the equilibrium between the east and west blocs. His critics within the Secretariat replied that it was nonsense to think the US government would ever accept any PCI assurances. The speech, as delivered, was restrained, cautioning the US not to try to exert leverage on the upcoming local elections.

The Party would not agitate for Italian withdrawal from NATO. The leadership would continue to emphasize publicly that its favorable attitude on this issue is based on the defensive nature of the alliance; privately it would hold to its present view that the blocs will not disappear for a long time and when they do it will be the result of, not a condition for, much more meaningful US/USSR detente than presently exists. The realization that the Soviets aren't pressing for dissolution of NATO would help the Party in its propaganda to "Stalinists" within its ranks. However, the PCI -- and many in the DC and other parties -- would certainly resist the establishment of more NATO or US bases in Italy.

SECRET

The gut question here is the psychological repercussion which PCI participation in government would be likely to have on other members of the alliance. Although preliminary and sparse information on the reaction of other NATO capitals to the massive PCI gains in the recent elections shows a relaxed attitude toward this prospect it seems clear that the presence of the largest communist party outside the east bloc in the governing councils of a major NATO partner would carry serious implications. Portugal, after all, has not been involved in sensitive deliberations of NATO's Nuclear Planning Group (NPG); Italy has been a member of the NPG since its inception. A complicating factor is the current worry among many DC and other-party politicians and government officials over the extent to which Greek-Turkish tensions have increased the importance of Italy in the minds of the NATO command. They fear possible future pressures from the US and/or NATO to undertake military commitments which a few years ago would have been assigned to the Turks or Greeks. Should the PCI decide to try to water down Italy's commitments it would have ready allies within the DC in this attempt. Since the primary purpose of NATO is to serve as a deterrent to Soviet aggression westward and since some NATO allies no longer perceive this threat to be very serious, the presence of the PCI in government would probably diminish the "will of the alliance" to some extent.

This psychological reaction would seem to be a more critical issue than strictly military/security considerations. The security arrangements to guard against leaking of NATO secrets to the PCI and

SECRET

thence, perhaps, to the USSR, would pose major problems. These problems already exist, however, as we have noted in covering the extent to which the Party is de facto already involved in Italian foreign policy, budgetary preparation and the allocation of national resources, including defense expenditures. The security threat would thus probably not be substantially greater than it is today unless the PCI were to be given the Foreign or Defense Ministries -- something the Party neither expects nor hopes for in the foreseeable future.

While PCI participation in government would pose serious problems for NATO and for the privileged military position of the US in Italy today, the argument by some US officials that it would be an important factor in pressuring Italy to adopt a pro-Arab stand in any future Arab-Israeli conflict begs a critical point*. The Italian government, with or without the PCI in it, is not likely to lend assistance to a US role in helping Israel in any future conflict any more than it was willing to do so in October 1973. Italy's pro-Arab stance goes back to the fifties when ENI (the National Hydrocarbon Enterprise) laid the basis for a policy which would ensure the supply of vitally-needed Arab -- particularly Libyan -- oil.

This leads to a larger area of consideration: The PCI has put its emphasis in foreign policy on capitalizing on those currents of Italian popular and government opinion which parallel major Party objectives. It gained considerable strength in its "conditioning"

**See dissenting opinion in Prospects for and Consequences of Increased Communist Influence in Italian Politics, National Intelligence Estimate NIE 24-1-74, published 18 July 1974, page 20.*

SECRET

policy, for example, by joining, rather than trying to lead, other parties in criticism of those US policies with which it disagrees. Where the PCI, Italian government and US-NATO strategic interests coincide, as in the case of preventing Soviet exploitation of post-Tito developments in Yugoslavia to pull Yugoslavia into the Soviet orbit, the PCI would have no problem in identifying with the views of the NATO command that Soviet success in any such undertaking would seriously -- and adversely -- affect the European power balance.

The EC and the European Parliament

As discussed earlier, the PCI's foreign policy is "Eurocentrist" in the sense that it looks to a strengthening of the EC and of the European Parliament to the end that if and when the blocs disappear there will be a strong, more unified western Europe capable of resisting both US and Soviet efforts toward hegemony. It will continue to push for acceptance of its theoretical and practical arguments that pan-European institutions be socialist in their programs and it will use any increased influence within the Italian government and the DC to promote this.

To sum up: The domestic policies and actions of the PCI are pragmatic and non-doctrinaire. They gave legitimate cause for concern to the CPSU and to those Italian "Stalinists" who feel that the Party leadership at many levels has been too much "conditioned" by over a generation of working within the system. With its demonstrated ability to keep in touch with the mood of the population, the Party is a force for internal stability in the Italy of the late seventies. In the

SECRET

SECRET

international field it will continue to distance itself from those CPSU policies which it deems outmoded and counterproductive in its efforts to establish a European order which is pluralistic but basically socialist. The Berlinguer leadership has succeeded in making this the official Party line. Should Berlinguer stumble seriously on any key issue, such as on his gamble that the Party's responsible positions and the electorate's reaction to them will see the PCI have a more formal say in national governing policy, he and the Party might well feel constrained to adopt a more radical line internally and a more militant, anti-NATO policy abroad. The Party would remain, however, a very pragmatic party with objectives and programs appealing to a broad range of Italian society: a reflection of its realization that it does not have -- and is unlikely to gain -- sufficient popular support to rule alone.